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Counsel to the Debtors and
Debtors in Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

- - - - - x
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In re: : Chapter 11
:
CIRCUIT CITY STORES, INC., : Case No. 08-35653
et al., :
:
Debtors. : Jointly Administered
- - - - - x

**MOTION OF THE DEBTORS, PURSUANT TO 11 U.S.C. § 105,
BANKRUPTCY RULES 2002, 9006, AND 9007 AND LOCAL
BANKRUPTCY RULE 9013-1(M), FOR AN ORDER SETTING
AN EXPEDITED HEARING ON THE DEBTORS' MOTION FOR
ORDER APPROVING STIPULATION BY AND AMONG THE DEBTORS
AND INTERNATIONAL BUSINESS MACHINES CORPORATION
PURSUANT TO BANKRUPTCY CODE SECTIONS 105 AND 363
AND BANKRUPTCY RULE 9019 AND FOR RELATED RELIEF**

The debtors and debtors in possession in the above-captioned cases (collectively, the "Debtors")¹ hereby move the Court (the "Motion") for the entry of an order, pursuant to 11 U.S.C. § 105, Rules 2002, 9006, and 9007 of the Federal Rules of Bankruptcy Procedure, and Rule 9013-1(M) and (N) of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Eastern District of Virginia (the "Local Bankruptcy Rules"), setting an expedited hearing on the Debtors' Motion for Order Approving Stipulation By and Among Debtors and International Business Machines Corporation Pursuant to Bankruptcy Code Sections 105 and 363 and Bankruptcy Rule 9019 and for Related Relief (the "IBM Settlement Motion") for the regularly scheduled omnibus hearing on January 16,

¹ The Debtors are the following entities: The Debtors and the last four digits of their respective taxpayer identification numbers are as follows: Circuit City Stores, Inc. (3875), Circuit City Stores West Coast, Inc. (0785), InterTAN, Inc. (0875), Ventoux International, Inc. (1838), Circuit City Purchasing Company, LLC (5170), CC Aviation, LLC (0841), CC Distribution Company of Virginia, Inc. (2821), Circuit City Properties, LLC (3353), Kinzer Technology, LLC (2157), Abbott Advertising Agency, Inc. (4659), Patapsco Designs, Inc. (6796), Sky Venture Corp. (0311), Prahs, Inc. (n/a), XSStuff, LLC (9263), Mayland MN, LLC (6116), Courchevel, LLC (n/a), Orbyx Electronics, LLC (3360), and Circuit City Stores PR, LLC (5512). The address for Circuit City Stores West Coast, Inc. is 9250 Sheridan Boulevard, Westminster, Colorado 80031. For all other Debtors, the address is 9950 Mayland Drive, Richmond, Virginia 23233.

2009, at 10:00 a.m. and shortening the notice for the IBM Settlement Motion pursuant to Rule 9006 of the Federal Rules of Bankruptcy Procedure. In further support of the Motion, the Debtors respectfully represent:

JURISDICTION AND VENUE

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein are section 105(a) of the Bankruptcy Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code"), Rules 2002, 9006, and 9007 of the Federal Rules of Bankruptcy Procedure, and Local Bankruptcy Rule 9013-1(M) and (N).

BACKGROUND

3. On November 10, 2008 (the "Petition Date"), the Debtors filed voluntary petitions in this Court for relief under chapter 11 of the Bankruptcy Code.

4. The Debtors continue to manage and operate their businesses as debtors in possession pursuant to Bankruptcy Code sections 1107 and 1108.

5. On November 12, 2008, the Office of the United States Trustee appointed a statutory committee of unsecured creditors (the "Creditors' Committee"). To date, no trustee or examiner has been appointed in these chapter 11 cases.

RELIEF REQUESTED

6. On January 8, 2009, the Debtors filed the IBM Settlement Motion. By this Motion, the Debtors seek this Court's entry of an order setting an expedited hearing on the IBM Settlement Motion for the regularly scheduled omnibus hearing on Friday, January 16, 2009, at 10:00 a.m., to consider the IBM Settlement Motion and to shorten the notice period for the IBM Settlement Motion.

BASIS FOR RELIEF

7. Pursuant to the IBM Settlement Motion,² the Debtors are asking the Court to approve the stipulation (the "Stipulation") entered into between the Debtors and International Business Machines Corporation ("IBM").³

² Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to them in the IBM Settlement Motion.

³ The Stipulation is attached as Exhibit A to the proposed order approving the IBM Settlement Motion.

8. The Debtors believe it is in the best interests of the Debtors' estates, creditors and other parties in interest for the IBM Settlement Motion to be heard at the hearing currently scheduled for January 16, 2009 at 10:00 a.m.

9. The Debtors are seeking approval of the Stipulation as soon as possible in order to resolve consensually any dispute concerning the Debtors' use of the Disputed Software without having to resort to litigation. As a result of the settlement, and as more fully set forth in the Stipulation, upon Bankruptcy Court approval, the Debtors will make certain payments to IBM in exchange for licenses entitling the Debtors to continue to use the Disputed Software. As set forth more fully in the IBM Settlement Motion, continued use of the Disputed Software is essential to the Debtors' ongoing operations. Pursuant to the Stipulation, the Debtors are required to make the first such payment on or before January 20, 2009. It is thus essential that IBM Settlement Motion is heard at the January 16, 2009 hearing.

10. Courts in the Eastern District of Virginia have previously granted motions to reduce the 20-day notice required for the approval of a compromise or settlement of a controversy. See, e.g., In re Circuit City Stores, Inc., 08-35653 (KRH) (Bankr. E.D. Va. Dec. 1, 2008) (granting motion for expedited hearing and shortening notice period to approve settlement); In re US Airways, Inc., 04-13819 (SSM) (Bankr. E.D. Va. Feb. 9, 2006) (granting motion for expedited hearing to approve settlement).

11. For the reasons set forth above, the Debtors believe cause exists to hear the Debtors' IBM Settlement Motion on January 16, 2009 at 10:00 a.m. (Eastern Time).

12. Local Bankruptcy Rule 9013-1 allows the setting of a hearing on an expedited basis as requested herein. Attached hereto as Exhibit 1 is the certification required under Local Rule 9013-1(N).

13. Additionally, section 105(a) of the Bankruptcy Code provides this Court with the power to set an expedited hearing on the IBM Settlement Motion. Section 105(a) states that a bankruptcy court "may issue any order, process, or judgment that is necessary or

appropriate to carry out the provisions of [the Bankruptcy Code]." 11 U.S.C. § 105(a).

WAIVER OF MEMORANDUM OF LAW

14. Pursuant to Local Bankruptcy Rule 9013-1(G), and because there are no novel issues of law presented in the Motion and all applicable authority is set forth in the Motion, the Debtors request that the requirement that all motions be accompanied by a separate memorandum of law be waived.

NO PRIOR REQUEST

15. No previous request for the relief sought herein has been made to this Court or any other court.

CONCLUSION

WHEREFORE, the Debtors respectfully request that the Court enter an order, substantially in the form annexed hereto, granting the relief requested in the Motion and such other and further relief as may be just and proper.

Dated: January 8, 2009
Richmond, Virginia

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/s/ Douglas M. Foley .
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Counsel for Debtors and Debtors
in Possession

[EXHIBIT 1]

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CERTIFICATION FOR EXPEDITED HEARING

The above-captioned debtors (collectively, the
"Debtors") contemporaneously herewith are filing, the
Motion Pursuant to 11 U.S.C. § 105, Bankruptcy Rules 2002,
9006, and 9007 and Local Bankruptcy Rule 9013-1(M), for

and Order Setting an Expedited Hearing on the Debtors' Motion for Order Approving Stipulation By and Among Debtors and International Business Machines Corporation Pursuant to Bankruptcy Code Sections 105 and 363 and Bankruptcy Rule 9019 and for Related Relief (the "Motion to Expedite").¹ In support thereof, and as required by Rule 9013-1(N) of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Eastern District of Virginia, the undersigned counsel for the Debtors certifies as follows:

1. I am a member of the Bar of this Court, and I have carefully examined these matters and there is a true necessity for an emergency hearing.

2. The necessity for this emergency hearing has not been caused by any lack of due diligence on my part, but has been brought about only by the circumstances of the Debtors' chapter 11 cases.

3. Based upon the nature of the matters and the relief requested in the Motion to Expedite, no *bona fide*

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion to Expedite.

effort to resolve these matters without a hearing is possible.

/s/ Douglas M. Foley
Douglas M. Foley

[Proposed Order]

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**ORDER SETTING AN EXPEDITED HEARING ON THE DEBTORS' IBM
SETTLEMENT MOTION AND GRANTING RELATED RELIEF**

Upon the motion (the "Motion")¹ of the Debtors for
an order, pursuant to Bankruptcy Code sections 105, Rules

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

2002, 9006, and 9007 of the Federal Rules of Bankruptcy Procedure and Rule 9013-1(M) and (N) of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Eastern District of Virginia, requesting an expedited hearing and shortened notice on the IBM Settlement Motion; and the Court having reviewed the Motion and the IBM Settlement Motion; and the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED AND DECREED that:

1. The Motion is GRANTED.
2. The notice period is shortened and a hearing will be held on January 16, 2009 at 10:00 a.m., prevailing Eastern Time, to hear and consider the IBM Settlement Motion.

3. Adequate notice of the relief sought in the Motion has been given and no further notice is required.

4. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: Richmond, Virginia
January _____, 2009

UNITED STATES BANKRUPTCY JUDGE

WE ASK FOR THIS:

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Counsel to the Debtors and Debtors in Possession

CERTIFICATION OF ENDORSEMENT UNDER LOCAL RULE 9022-1(C)

Pursuant to Local Bankruptcy Rule 9022-1(C), I hereby certify that the foregoing proposed order has been endorsed by or served upon all necessary parties.

/s/ Douglas M. Foley
Douglas M. Foley